

**STATUS REPORT ON  
INTERNAL AND MANAGEMENT CORRECTIVE ACTION PLANS  
June 6, 2002**

Please note: Information that is new to this report is highlighted.

**OPEN CORRECTIVE ACTION PLANS**

<b>ACN #</b>	<b>Date of Final Report</b>	<b>Short Title/ (FSA Office)</b>	<b>Date of Resolution</b>	<b>Current FSA Status Open/ Completed</b>	<b>Current OIG Status Open/ Closed</b>	<b>Date FSA Requested Closure</b>	<b>Date OCFO Closed</b>
01-90005.173	Sept. 2000	Recertification Process for Foreign Schools (Schools)	4/11/01	1/3 Expect to complete by 9/30/01. 9/30/02.	1/3		
A05-A0025.184	March 2001	Great Lakes Implementation of the New Guaranty Agency Funding Model (FP)	12/31/01	4/3 <b>due to be completed by 12/31/02.</b>	4/3		
<b>A06-A0020</b>	<b>March 2002</b>	<b>Effectiveness of the Department's Student Financial Aid Application Verification Process</b>	<b>N/A</b>	<b>CAP Submitted 5/24/02 (2/2)</b>	<b>4 unresolved</b>		
A09-A0018.189	Sept. 2001	Financial Responsibility of Postsecondary Institutions (Schools)	3/20/02	<b>1/16 Completed CAP Submitted for completion but OIG rejected one.</b>	1/16		
11-A0015	March 2001	Security Review of the Virtual Data Center (OCIO/SFA-CFO/CIO)	9/27/01	<b>1/95</b>	<b>1/95</b>		

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S17-90018	Feb. 2000	Student Financial Assistance-- Annual Financial Statement Audit, FY 1999 (CFO)	9/30/00	1/22 remaining action due to be completed by 6/30/02.	1/22		
17-90019	Feb. 2000	FY 1999 Financial Statement Audit (ED/OCFO/OCI O)	7/31/00	1/23 due to be done by 6/30.	1/23		
17-A0002	Feb. 2001	FY 2000 ED Financial Statement Audit (ED)	6/15/01	4/17 Due to be done by 6/30/02.	4/17		
17-A0003	Feb. 2001	Student Financial Assistance-- Annual Financial Statement Audit, FY 2000 (CFO)	6/26/01	3/15	3/15		
17-B0003	April 2001	FY 2000 ED Management Letter		<b>4/52</b>	<b>6/50</b>		
17-B0004	April 2001	FY 2000 SFA Management Letter		<b>3/45</b>	<b>5/43 (1 is unresolved)</b>		
17-B0006	Feb 2002	FY 2001 ED Financial Statement Audit	New	CAP submitted 4/19/02	<b>2 unresolved/ 12 resolved</b>		
17-B0007	Feb 2002	FY 2001 FSA Financial Statement Audit	New	CAP submitted 4/19/02	<b>1 unresolved/11 resolved</b>		

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19-B0001	March 15, 2002	Controls over SFA Government - Furnished Property	NEW	3/0 CAP submitted 5/13/02	1 unresolv-ed/2 resolved		
A&I 2001-01		Review of First Class Travel in Student Financial Aid (CFO)		1/0	1/0		
OP-30-EP-0497	April 1997	Investigative Program Advisory Report—Foreign Schools FFELP (Schools/OPE)	7/16/01	7/5	7/5		
SFA—PP		SFA High Risk Project Plan (CFO)	7/25/01	1/27	1/27		
FMFIA	Feb. 2002	FMFIA FY 2001	2/12/02	14/4	14/4		

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<b>GAO-02-254</b>	<b>Feb. 1, 2002</b>	<b>Federal Student Loans: Flexible Agreements with Gas Warrant Careful Evaluation (FP)</b>	<b>N/A</b>	<b>Submitted CAP 6/3/02 7/0 (1 unresolved)</b>	<b>N/A</b>		
<b>GAO-02-313</b>	<b>April 3, 2002</b>	<b>Debt Collection Improvement Act of 1996 (AWG Audit)</b>	<b>N/A</b>	<b>CAP Submitted 6/3/02 (4/0—1 unresolved)</b>	<b>N/A</b>		
<b>GAO-02-350</b>	<b>March 29, 2002</b>	<b>Direct Student Loans: Additional Steps Would Increase Borrowers' Awareness of Electronic Debiting and Reduce Administrative Costs (OPE has lead?)</b>	<b>N/A</b>	<b>CAP Submitted 5/28/02 (3/0—1 unresolved)</b>	<b>N/A</b>		

ACN #	Date of Final Report	Short Title/ (FSA Office)	Date of Resolution	Current FSA Status Open/ Completed	Current OIG Status Open/ Closed	Date FSA Requested Closure	Date OCFO Closed
GAO-02-406	April 10, 2002	Education Financial Management: Weak Internal Controls Led to Instances of Fraud and Other Improper Payments	5/22/02 (1 remains unresolved )	CAP submitted to OCFO on 5/21/02	N/A		

**FY 2002 INTERNAL AND MANAGEMENT  
OIG and GAO CORRECTIVE ACTION PLAN STATISTICS\*\***

CAPS OPEN AS OF 9/30/01 (FY 2001)	NEW CAPS 10/1/01-9/30/02 (FY 2002)	CAPS COMPLETED 10/1/01-9/30/02 (FY 2002)	TOTAL CAPS OPEN (FY 2002)
19	9	6	22**

**\*\* CAPS are not included in above totals until submitted. If not submitted, the CAP has \*\* by its ACN in the *Open Corrective Action Plans* section of this report.**

**FY 2002 NEW CORRECTIVE ACTION PLANS**

ACN #	Short Title of Audit/FSA Office	Date Final Report Issued	CAP Submission Date	On Time? (60 Days)
A09-A0018.189	Financial Responsibility of Postsecondary Institutions (Schools)	Sept. 28, 2001	Nov. 26, 2001	YES
17-B0003	FY 01 SFA Financial Statement Audit	February 27, 2002	<b>April 19, 2002</b>	<b>YES</b>
GAO-02-254	<b>Federal Student Loans: Flexible Agreements with GAs Warrant Careful Evaluation</b>	<b>February 1, 2002</b>	<b>June 3, 2002 (Due April 2)</b>	<b>NO</b>
A06-A0020	<b>Audit of the Effectiveness of the Department's Student Financial Aid Application Verification Process</b>	<b>March 28, 2002</b>	<b>May 24, 2002 (Due May 27)</b>	<b>YES</b>

**NEW CORRECTIVE ACTION PLANS FSA SUBMITTED IN FY 2002**  
(Continued)

ACN #	Short Title of Audit/FSA Office	Date Final Report Issued	CAP Submission Date	On Time? (60 Days)
A19-B0001	Audit of Controls over Gov't Property Provided under Student Financial Assistance Contracts	March 15, 2002	May 13, 2002 (Due May 14)	YES
GAO-02-350	Direct Student Loans	March 29, 2002	May 28, 2002 (Due May 28)	YES
GAO-02-406	Education Financial Management: Weak Internal Controls Led to Instances of Fraud and Other Improper Payments	April 10, 2002	May 21, 2002 (Due June 9)	YES
GAO-02-313	Debt Collection Improvement Act of 1996 (AWG)	April 3, 2002	June 3, 2002 (Due June 3)	YES

**FY 2002 FSA INTERNAL OIG AUDIT RESOLUTION STATISTICS\*\*\***

OVERDUE UNRESOLVED AUDITS AS OF 9/30/01	NEW OIG AUDITS 10/1/01-9/30/02	RESOLVED AUDITS 10/1/01-9/30/02	UNRESOLVED AUDITS As of 6/6/02	OVERDUE UNRESOLVED AUDITS
0	4	2	4	0

\*\*\* These figures include all OIG audits that have resulted in a final audit report. Last month's report erroneously included the FMFIA report, which has been deleted from this month's report.

**CORRECTIVE ACTION PLANS COMPLETED (Or Transferred)  
IN FY 2002**

ACN #	Short Title of Audit/SFA Office	Date OCFO Closed
05-90024.174	Potential To Reduce Risks and Costs of Consolidating Defaulted Loans in FFEL Consolidation Program (Analysis, FP & OPE)	1/29/02
03-90003.175	Audit of CMO's Audit Tracking and Resolution Process (Schools)	3/7/02
17-80006	FY 1998 Financial Statement Audit (ED)	3/12/02
FMFIA	FMFIA FY 2000 (ED)	N/A (2/02 completed)
03-70010	Audit of Closed School Process	4/1/02

**CORRECTIVE ACTION PLANS COMPLETED (Or Transferred)  
IN FY 2002**

<b>ACN #</b>	<b>Short Title of Audit/SFA Office</b>	<b>Date OCFO Closed</b>
AM-SFA097-03	Direct Loan Program Requirements for Funds Generated by Adjustments etc.	4/2/02
<b>GAO-02-255</b>	<b>Federal Student Aid: Additional Management Improvements Would Clarify Strategic Direction and Enhance Accountability</b>	<b>Transferred to OPE on 5/22/02.</b>

**Monthly Statistics on Closure of Recommendations in FY 2002**

<b>Month</b>	<b># Recs. Scheduled To Be Closed</b>	<b>Of those scheduled, # that were completed on time*?</b>	<b># Slipped</b>	<b>95% on Time?</b>
January	11	10	1	91%
February	4	4	0	100%
March	1	1	0	100%
April	4	4	0	100%
May	<b>0 **</b>	<b>0</b>	<b>0</b>	<b>100%</b>
June				
July				
August				
September				
FY TOTALS				

**\* Completed on time includes actual completions and extensions that were approved (i.e., a request for an extension on the completion date was received and accepted by management).**

**\*\* We closed two of three actions due in May for one recommendation, but those actions will not close out the recommendation until the final action is completed; therefore the recommendation was not included in the May numbers of “scheduled to be closed.” Another action due to be completed in May was rescheduled for completion in December 2002. That action will close out a recommendation. Since the revised date was acceptable to the GM, it was not counted as untimely; and since the date moved to December, it will be counted in the December numbers scheduled to be closed in May.**